



Building people power for climate & energy justice

October 12, 2017

Lynn J. Good
President and Chief Executive Officer
Duke Energy Corporation
Charlotte, North Carolina

VIA EMAIL

Subject: Your 15-year fossil fuel expansion vs the breakthroughs in rooftop solar power and battery storage your predecessor Jim Rogers warned you about

Dear Ms. Good,

Once again, NC WARN sincerely urges you to abandon your plans to greatly expand fossil fuels in a manner that drives humanity toward runaway climate chaos, to nearly ignore renewable energy and to perpetually raise electric bills. By contrast, the new [NC Clean Path 2025](#) plan – based on local solar power, breakthroughs in on-site battery storage and proven energy-management programs – provides for rapid phase-out of coal and natural gas while lowering power bills for North Carolina customers across the economic spectrum.

I implore you to change course and lead a clean energy revolution in all Duke Energy states. Under your leadership, Duke Energy remains on the wrong side of the accelerating climate crisis despite spending tens of millions of dollars annually to make the news media, civic leaders and the public believe otherwise. Your carbon emissions continue to rise due to the super-potent methane leaking and venting throughout the natural gas supply chain – while you oppose requirements to capture it. And tragically, your total generation in the Carolinas remains less than 2% renewable.

Key contrasts between your recent Integrated Resource Plan for both Duke utilities in the Carolinas versus the Clean Path authored by engineer Bill Powers, as detailed in [NC WARN's comments](#) filed yesterday with state regulators, include:

- Duke Energy projects the bare minimum in renewables, peaking at 7.86% of total generation in 2025, *then falling each year*, along with little energy efficiency. This proves our longstanding criticism that Duke Energy plans no more than the minimum required by the state REPS law.

- You continue to ignore customer-sited solar and battery storage, while the Clean Path shows that this combination already provides power that's far less expensive than current rates for business customers, and far cheaper – for all customers – than building gas-fired power plants.
- Duke Energy virtually ignores demand response. As explained in Clean Path, this ability to balance system-wide demand during high use periods is indispensable for avoiding perpetual power plant construction, yet Duke exercises well under 10% of its available potential.
- Duke Energy continues to project reserve margins (generation capacity over and above peak usage) at twice the industry requirement. Up to one-third of all Duke plant capacity sits idle even during peak demand periods, with neighboring utilities having similar gluts of supply. Yet you all continue to build power plants despite flat customer demand growth over many years.
- Duke proposes to build the equivalent of 20 large gas-fired plants – to burn fracked gas – while retiring a few little-used coal plants. As reflected in NC WARN's opposition motion in the [Lincoln plant docket](#), your own IRP shows you wouldn't need that plant for eight years.

These examples clearly reflect Duke executives' business model: build plants, raise rates and invest millions to influence public officials, civic leaders and news media in order to keep it going. State law requires you to use demand response, renewables and proper reserve margins – a "least cost" approach – instead of over-building plants, but regulators join you each year in ignoring the law.

The Clean Path shows that North Carolina can replace all fossil fuels used for electricity by 2030, and half by 2025. All utility customers can benefit – and avoid having tens of billions of their dollars spent building unneeded power plants, transmission lines and a massive fracked gas pipeline, plus more than \$2 billion each year on coal and natural gas fuel.

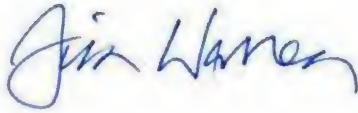
Since we began alerting you two years ago of the science showing natural gas to be even worse for the climate than coal, Duke Energy and the gas industry have kept that issue virtually out of the state and national news even as more studies show that curbing methane emissions is critical to averting climate chaos. If Duke insists on burning natural gas, won't you, at the very least, agree to minimize methane emissions through proven, cost-effective methods?

A course correction by Duke Energy could not be more urgent. As weather extremes devastate communities right here and worldwide, NASA found July 2017 to be the hottest month ever recorded amid an ongoing, four-year heat wave. The world's most prominent climatologist, Jim Hansen, says global warming is getting worse, that "we are running out of time" to change course, and that methane emissions simply must be reduced.

NC WARN members and allies are implementing the Clean Path in many counties, but we really need Duke Energy's size and market power to join this effort toward climate stabilization – before we pass tipping points leading toward a horrific future for all.

Despite the years of acrimony, I deeply wish to find a way to cooperate in this unprecedented challenge, and to be able to applaud rather than criticize you. Let's openly discuss the Clean Path 2025 strategy, build upon it, and rise to our duty to truly cut carbon emissions – CO2 *and* methane – as quickly as possible.

Sincerely,

A handwritten signature in blue ink that reads "Jim Warren". The signature is fluid and cursive, with the first name "Jim" and last name "Warren" clearly distinguishable.

Jim Warren
Executive Director

cc. Governor Roy Cooper